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FOR IMMEDIATE RELEASE:

**REAL ESTATE DEVELOPER INDICTED FOR
\$217 MILLION CHECK KITING SCHEME
AND OTHER CRIMES**

PRESS RELEASE

Susan W. Brooks, United States Attorney for the Southern District of Indiana, announced that late yesterday ERIC HALTON TAUER, 50, Hendricks County, was indicted late yesterday by a federal grand jury sitting in Indianapolis for 10 counts of bank fraud, two counts of money laundering, and one count of conspiracy following an investigation by the Federal Bureau of Investigation and the Internal Revenue Service. BRYAN STEVEN KAIN, 43, Plainfield, was also charged in the indictment with one count of conspiracy.

The indictment alleges that TAUER, a real estate developer in Hendricks County, deposited approximately 2,772 insufficient funds checks between related entities during a three

-more-

month period in a total amount of over \$217 million. This alleged check kiting scheme involved seven bank accounts controlled by TAUER and his businesses and was perpetrated against five financial institutions, First Indiana Bank in Indianapolis, Irwin Union Bank in Avon, First National Bank and Trust in Indianapolis, Americana Bank in New Castle and Citizens Bank in Mooresville.

In addition to the check kite scheme, the indictment alleges that over the course of nine real estate closings TAUER took 37 checks totaling over \$1.7 million intended for third parties to the closings and deposited the checks into the bank account of his company, Royal Haven Builders. TAUER held some of the checks for several months before attempting to deposit them.

The final count of the indictment alleges that TAUER and **KAIN** conspired to engage in a scheme to defraud financial institutions by arranging for the shifting of some of the debt of TAUER's real estate business to unsuspecting third parties and to finance TAURER's continued business operation by arranging for loans to the TAUER business in the names of the unsuspecting scheme victims.

TAUER's real estate business involved RHI, LLC, Royal Haven Builders, Inc., R&N Company LLC, White Lick Sewer, Inc., Forehand, Inc., Hickory Homes, Forefront, Inc. d/b/a Century 21 Axiom and KEK Enterprises, LLC d/b/a Royal Haven Homes.

According to Assistant United States Attorney Charles Goodloe, Jr., who is prosecuting the case for the government, TAUER faces a maximum possible prison sentence

of 30 years and a maximum possible fine of \$1 million. Each of the defendants will be summoned to appear at an initial hearing which will be scheduled before a U.S. Magistrate Judge in Indianapolis.

The indictment is an allegation only, and the defendant is presumed innocent unless and until proven guilty at trial or by guilty plea.

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